

ABSTRACT OF THE DISCLOSURE

A plurality of Group III nitride compound semiconductor layers are formed on a substrate for performing the formation of elements and the formation of electrodes. The Group III nitride compound semiconductor layers on parting lines are removed by etching or dicing due to a dicer so that only an electrode-forming layer on a side near the substrate remains or no Group III nitride compound semiconductor layer remains on the parting lines. A protective film is formed on the whole front surface. Separation grooves are formed in the front surface of the substrate by laser beam irradiation. The protective film is removed together with reaction products produced by the laser beam irradiation. The rear surface of the substrate is polished to reduce the thickness of the substrate. Then, rear grooves corresponding to the latticed frame-shaped parting lines are formed in the rear surface of the substrate. The substrate is divided into individual elements along the parting lines.